

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF BIG SANDY WATER DISTRICT)	2015-00023

ORDER

On January 16, 2015, Big Sandy Water District (“Big Sandy”) submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Big Sandy purchases water from Cannonsburg Water District (“Cannonsburg”), the city of Kenova, West Virginia (“Kenova”), the city of Louisa, Kentucky (“Louisa”), the city of Ashland, Kentucky (“Ashland”), and Rattlesnake Ridge Water District (“Rattlesnake Ridge”).

2. On January 1, 2015, Cannonsburg increased its wholesale water rate to Big Sandy from \$4.06 per 1,000 gallons to \$4.21 per 1,000 gallons.² Big Sandy proposed to increase its water rates to reflect the increased cost of purchased water effective January 1, 2015.

3. During the 12 months ended October 31, 2014, Big Sandy purchased 204,197,500 gallons of water from Kenova, 97,454,700 gallons from Louisa, 6,393,700

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2014-00448, Application of Cannonsburg Water District for a Purchased Water Adjustment (Ky. PSC Jan. 23, 2015).

gallons from Rattlesnake Ridge, 51,638,900 gallons from Cannonsburg, and 1 million gallons from Ashland for a total of 360,684,800 gallons. Big Sandy sold 246,455,700 gallons of water during the same 12 months. The increase in the cost of purchased water is \$7,745.84, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

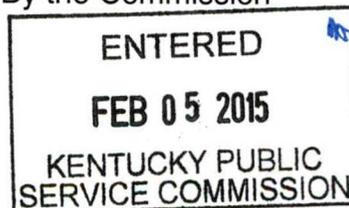
4. The purchased water adjustment of \$0.04 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. Big Sandy's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered on and after January 1, 2015.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.04 per 1,000 gallons is approved.
2. Big Sandy's proposed rates are approved for service rendered on or after January 1, 2015.
3. Within 20 days of the date of this Order, Big Sandy shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

Sara D. Greenwell
Executive Director *for*

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2015-00023 DATED **FEB 05 2015**

	New Rate	Base Rate
Cannonsburg		
Purchases in gallons	51,638,900	51,638,900
Volumetric rate	<u>\$ 4.21/1,000</u>	<u>\$4.06/1,000</u>
	\$217,399.77	\$209,653.93
Kenova		
Purchases in gallons	204,197,500	204,197,500
Volumetric rate	<u>No change</u>	<u>No change</u>
Louisa		
Purchases in gallons	97,454,700	97,454,700
Volumetric rate	<u>No change</u>	<u>No change</u>
Ashland		
Purchases in gallons	1,000,000	1,000,000
Volumetric rate	<u>No change</u>	<u>No change</u>
Rattlesnake Ridge		
Purchases in gallons	6,393,700	6,393,700
Volumetric rate	<u>No change</u>	<u>No change</u>

Increased water cost \$7,745.84

Increased water cost	\$ 7,745.84
Divided by gallons sold/1,000	<u>246,455,700</u>
Purchased water adjustment factor	\$ 0.0314 or
	\$ 0.04 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00023 DATED **FEB 05 2015**

The following rates and charges are prescribed for the customers in the area served by Big Sandy Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- X 3/4-Inch Meter

First	1,000	gallons	\$	16.71	Minimum Bill
Next	9,000	gallons		8.44	per 1,000 gallons
Next	10,000	gallons		5.84	per 1,000 gallons
Next	20,000	gallons		5.42	per 1,000 gallons
Over	40,000	gallons		5.19	per 1,000 gallons

1-Inch Meter

First	10,000	gallons	\$	92.67	Minimum Bill
Next	10,000	gallons		5.84	per 1,000 gallons
Next	20,000	gallons		5.42	per 1,000 gallons
Over	40,000	gallons		5.19	per 1,000 gallons

1 1/2-Inch Meter

First	20,000	gallons	\$	151.07	Minimum Bill
Next	20,000	gallons		5.42	per 1,000 gallons
Over	40,000	gallons		5.19	per 1,000 gallons

2-Inch Meter

First	40,000	gallons	\$	259.47	Minimum Bill
Over	40,000	gallons		5.19	per 1,000 gallons

3-Inch Meter

First	100,000	gallons	\$	570.87	Minimum Bill
Over	100,000	gallons		5.19	per 1,000 gallons

4-Inch Meter

First	200,000	gallons	\$	1,089.87	Minimum Bill
Over	200,000	gallons		5.19	per 1,000 gallons

Wholesale Customer

Overland Development	\$	4.89 per 1,000 gallons
Cannonsburg Water District	\$	4.89 per 1,000 gallons

*Mr. Jimmy Blanton
Superintendent
Big Sandy Water District
18200 Kentucky Route #3
Catlettsburg, KY 41129